



## **EXECUTIVE SUMMARY**

### **DEPARTMENT OF ENVIRONMENTAL PROTECTION DIVISION OF FISH AND WILDLIFE July 1, 2015 to June 30, 2019**

We found that the financial transactions included in our testing were related to the division's programs, were reasonable, and were recorded properly in the accounting systems. In making this determination, we noted certain deficiencies meriting management's attention regarding compliance with procurement guidelines, revenue system reconciliations, and timeliness of deposits. In addition, we noted that the general controls over the division's Integrated Electronic Licensing System need strengthening.

#### **AUDIT HIGHLIGHTS**

- The division's purchases were closely aligned with its mission. However, we noted internal controls could be strengthened by updating current internal purchasing policies to require requesting divisions to provide adequate justification for proposed purchases.
- The division is not in compliance with Department of the Treasury Circular 16-02-DPP, and we noted an instance where the division circumvented DPA controls by splitting a purchase order in order to process a payment in the accounting system for a \$240,000 Mobile Conservation Outreach Trailer.
- The division did not reconcile its revenue system to the state accounting system. The state accounting system exceeded the division's system by a total of \$958,337 from fiscal years 2015 through 2018.
- The division is not depositing checks in a timely manner. We found that 23 of 37 sampled transactions (62 percent), totaling \$12,478, were not deposited timely. The time between the date of the sale and the deposit ranged from 2 to 19 days, with an average delay of 5.6 days.
- For its licensing system, the division should establish formal account creation and registration processes, remove all disabled/inactive user IDs, create and maintain an application security plan/risk assessment, implement policies and procedures regarding user access, and develop, implement, and periodically test a formal business continuity/disaster recovery and application contingency plan.
- We observed the division has not initiated any fee increases since 2000. Additionally, there are 23 states which border oceans and bays, and New Jersey is one of only three states that does not require any fee for saltwater anglers to register or obtain a license for coastal fishing.

#### **AUDITEE RESPONSE**

The department generally concurs with our findings and recommendations.

For the complete audit report, click [here](#).